

# **Bury Church of England High School**



## **Academy Conversion**

### **Questions and Answers Document**

## **Possible conversion to Academy status Questions and Answers**

This document is issued in response to questions posed by members of staff and others regarding conversion to Academy status.

The following questions and answers provide more information about what Academy status means and what the implications would be if our school converts.

The Q&A are divided into sections:

- What is an Academy?
- Academy governance
- Academy funding and services
- Academy policies
- Educational implications
- Employment in an Academy
- Land and buildings
- What could change in the future?
- Consultation process
- Further information

### **1. What is an Academy?**

An Academy is an independent state school, funded directly from central government rather than through a Local Authority. A charitable company limited by guarantee (the Academy Trust) is responsible for the Academy, and the Academy Trust signs the Funding Agreement (the contract) with the Secretary of State as part of the establishment of the Academy.

Legislation requires that an Academy has the following characteristics:

- That it offers a balanced and broadly based curriculum;
- That it provides education for students of different abilities; and
- That it provides education for students who are admitted to the Academy according to its admissions policy which must be compliant with the national admissions code.

### **2. How is an Academy different from a Voluntary Aided school?**

An Academy has some minor differences to a voluntary aided school, including:

- **Land and Buildings** – for Bury Church of England High School the buildings are owned by the Governors whilst land and the site staff bungalow is owned by the local authority currently. In the Academy, the land and buildings owned currently by the local authority would be leased to the Academy Trust for 125 years at a peppercorn rent from the Local Authority and the Academy will continue to own the buildings currently owned by the Governors. The Academy would be responsible for all the land and buildings (and reliant on the Secretary of State for capital funding);
- **Curriculum** – an Academy has to offer a broad and balanced curriculum for students of differing abilities, including Maths, English, and Science, but it does not have to follow the National Curriculum;
- **Employment** – the Academy Trust becomes the employer of school staff, rather than the Governing body of the School as at present. Academies also have freedom to set new terms and conditions for future staff, although Bury Church of England High School intends to retain the current nationally and locally agreed Terms and Conditions for existing staff;
- **Funding** – the Academy receives its existing school budget and also its share of the funding that is retained by the local authority for maintained schools;

- **Governance** – a new charitable company (the Academy Trust) would be established for the school. The Governors of the Academy would be the directors and trustees of this Trust. As far as possible, Bury Church of England High School would seek to mirror the current model of governance within the new academy structure.

### 3. What is the rationale for exploring Academy status?

The primary focus of Bury Church of England High School is on providing the highest possible quality education set within a Christian world view to our students bringing the heart of God to the heart of learning. The rationale for exploring Academy status is that:

- a) Academies have greater independence for the school to make decisions in the best interests of their students. This includes taking over responsibility for some services currently provided by the Council.
- b) Academy status would provide significant additional resources to the school. While some of this would be required to operate the Academy and replace services that are currently provided by Bury Council, the remainder would be available to improve teaching and learning opportunities.
- c) Academies have greater freedom to personalise the curriculum to suit the interests and needs of each pupil.
- d) As Bury Church of England High School has always been, since its inception in 1748, a school which has a Christian faith foundation and an Anglican flavour. Converting to Academy status will allow the school to secure this foundation for the future.
- e) As an Academy, Bury Church of England High School could bid for additional capital monies and would no longer have to find 10% of the cost of any capital building project. This would give us unprecedented access to funds which we have not had previously.

### 4. What are the arguments in favour of or against converting to Academy status?

Identification of ‘pros’ or ‘cons’ is subjective, but the following table outlines some arguments in favour or against conversion. The consultation process will provide Governors with a greater range of arguments in favour or against which they will consider and investigate further before being in a position to make a final decision about whether to convert.

<b>For conversion</b>	<b>Against conversion</b>
<p>Full receipt of income i.e. no top slice from the Local Authority (LA) for services provided by them. This gives the opportunity to seek best value from external providers whose service can be tailored to our school’s needs.</p> <p>The enhanced funding will allow us to purchase services that give best value for money, including those provided by the LA, but we will not be constrained by having one provider who has a monopoly on a service irrespective of quality or cost.</p>	<p>Uncertainty regarding how the Secretary of State and the Diocese would react to a major building fabric failure situation.</p>

Increased autonomy to make decisions in students' best interests, including responsibility for services currently provided by the local authority.	A fear that Academy status represents the fragmentation, or privatisation, of state education.
Greater freedom to personalise and develop the curriculum, including greater freedom to decide upon what should be taught without having to be constrained by the National Curriculum in accordance with students' needs.	The greater responsibilities could deter people from wanting to become Governors although in a VA school Governors have virtually the same responsibilities as in an Academy.
The school could protect and continue its ethos, including establishing an appropriate governance structure.	Increased statutory requirements and costs e.g. accounting
Increased Value For Money via procurement of bespoke services	Isolation if the school does not actively seek to establish partnerships.

**5. Would there be any external sponsors involved, like there are in the 'sponsored' Academies?**

No.

**6. Is this privatisation?**

No. The Academy Trust is a charitable trust and is not a profit-making organisation. The only objective of the Trust is to promote education for public benefit.

**7. Does Ofsted inspect Academies?**

Yes, in exactly the same way as for maintained schools. However, new academies are allowed 3 years to become established prior to their first inspection which will be a full Ofsted inspection and not a one day HMI visit.

**8. How would the Academy be governed?**

If a school decides to convert, it would establish its own new charitable company, the Academy Trust, and this Trust would be responsible for the Academy. The Trust would sign the Funding Agreement (the contract) with the Secretary of State.

The Governing Body is the key 'decision-making' group for the Academy, in the same way as it is for the school now. The Academy Governing Body is able to exercise all the powers of the Academy Trust. The current Governing Body would decide the size and structure of the Governing Body for the Academy.

An Academy Trust also has a small number of Members (often only 3 or 4). These Members have a similar role to 'shareholders' in a private company limited by shares. They hold and vote at an AGM and other General Meetings as convened. They appoint some of the Governors. The current Governing Body are keen that the members of the Academy Trust are ex-officio to ensure that they always have a current and substantial interest in and knowledge of the school and its local community. The Chair of Governors is appointed by the Academy Trust. The member appointed governors should be similar in concept to the Church Governors at a Voluntary aided school. In the case of Bury Church of England High

School these are appointed by the Diocese of Manchester, Bury Parish Church (PCC) and the Deaneries of Bury, Rochdale, Radcliffe & Prestwich (formerly Prestwich & Whitefield) and Heywood & Middleton.

#### **9. How are parent governors identified / appointed in an Academy?**

The same process as for the school currently. When there is a vacancy, applications are sought from the parents at the school. If there is the same number or fewer applications than vacancies then those individuals who applied are appointed. If there are more applications than vacancies, the parents vote to decide who becomes a governor.

#### **10. Are there any restrictions on who can be governors of an Academy?**

There are a series of eligibility criteria for being an Academy governor, which are very similar to the criteria used currently. There is also a restriction for Academies that individuals who have an association with local government (i.e. are an elected councillor or an employee of the Local Authority) cannot exceed 19.9% of the votes available at the Governing Body. Further clarification of this will be obtained during our discussions with the regional schools commissioner and the Department for Education (DfE).

#### **11. Does the Governing Body have the technical expertise or the time it will need to take on its new responsibilities to protect the school in areas such as finance, the law, personnel and other technical areas?**

The current Governing Body of the school includes individuals with a range of backgrounds and skills that help the school. The Governing Body of an Academy has a greater range of legal responsibilities as a result of the additional services and the legal status as a charitable company. The Governing Body would want to ensure that it had access to the appropriate advice for these new areas, which may include Governors with backgrounds in specific areas (and the Governing Body of an Academy can, just like the current school can, co-opt Governors if it feels it needs a Governor with specific skills). In addition to the skills within the Governing Body, the Governors of any maintained or Academy school may seek additional professional advice in areas such as legal responsibilities. Bury Church of England High School as a Voluntary Aided school already handles almost all of the additional responsibilities involved in becoming an Academy as our Governors are already the employers.

#### **12. How can the Secretary of State intervene in an Academy?**

Within the template Articles of Association (which are the governing documents of the Academy Trust), the Secretary of State has the ability to appoint 'Additional Governors' and 'Further Governors' in different situations and can terminate the Funding Agreement if an Academy is placed in Special Measures and fails to make adequate progress. For 'Additional Governors' to be appointed, the criterion is that the Secretary of State has first to have served a warning notice to the Governors (relating to standards, management /governance, or safety) and the Secretary of State believes that Governors have failed to take the necessary action. He can also appoint 'Additional Governors' if the school drops two Ofsted grades between inspections (for instance, from 'outstanding' to 'satisfactory'). He can appoint 'Further Governors' if a Special Measures Termination Event occurs (which is where Academy is put into special measures and fails to make adequate progress). If the Secretary of State does appoint additional or further Governors then any governors appointed by

members have to resign and members cannot appoint any more until the Secretary of State starts removing his Governors.

## Academy funding and services

### 13. What start-up costs will the school face on transfer to Academy status?

Each school receives a £25,000 grant from the DfE if its application is approved. This grant is towards the detailed exploration of Academy status and, if the school decides to proceed, the implementation costs.

There are costs relating to the legal conversion (i.e. setting up the Trust, preparing the lease and Funding Agreement, and the TUPE process) and other 'one-off' costs relating to preparing each Academy for successful operation.

### 14. Do Academies receive extra funding?

Academies receive their funding direct from the Government rather than via their local authority. The main Academy revenue budget consists of two elements:

- The school budget – which is currently worked out in exactly the same way as it is currently for maintained schools
- Their share of the funding that is retained by the local authority from all maintained schools - this is calculated based on the Academy's share of the total number of students. It is this local authority retained funding, that enhances Academy budgets. This money is directed to the Academy rather than the local authority; it does not come from the budgets of other schools.

As long as there is a local authority and there are maintained schools, then there is always going to be an amount retained by the local authority. The amount of funding that is retained varies between councils and can vary over time. The following table shows the figures for Bury Church of England High School as we can best calculate at present.

Breakdown of academic year 2016-17 school allocation  
General Annual Grant Statement (GAG)

School budget share excluding rates	3,576,136
Of which :	
notional SEN funding	175,707
funding previously de-delegated	24,453
Minimum funding guarantee	-
Education services grant	61,061
Post-opening grant (start-up grant)	25,000
ESG protection	-
<b>Total School Allocation</b>	<b>3,662,197</b>

#### Comments

The total ESG allocation is proportioned from the time we open as an Academy until the end of the academic year.

Start-up grant is only paid to full sponsored Academies. There are 2 elements, parts A and B.

Part A flat rate allocation paid in the first year of opening

Part B formulaic allocation intended to contribute to costs, such as leadership, paid over 3 years for Secondary schools, once open.

### **Funding outside the GAG**

Pupil premium is paid direct from EFA in 4 instalments

High needs top-up funding is paid by the local authority

### **Bury Church of England High School 2016–17 current funding**

School budget share excluding rates	3,576,136
LA de-delegated amount	24,453
<b>Total</b>	<b>3,551,683</b>

Increase in funding as an Academy 110,514

This has been calculated on the basis of an intake of 156 pupils in each year group.

### **15. What functions currently carried out by the local authority would be carried out by the school if it converted to Academy status?**

The function that is currently funded by the Local Authority that would become the responsibility of the Academy.

- Auditing our accounts

Having the funding would allow an Academy a greater degree of control of the quantity and quality of this service compared to the current situation and would cost substantially less than the amount of money which goes to the Local Authority currently. This would release the difference to support teaching and learning developments.

### **Services that will remain with the local authority**

The following duties remain with the local authority and do not become our responsibility:

- home to school transport, including transport for pupils with special educational needs (SEN)
- education psychology, SEN statements and assessment
- assigning SEN resources for pupils who require high levels of additional resource (this is a top-up to formula funding under a separate contract with the local authority)
- monitoring of SEN provision and parent partnerships
- prosecuting parents for non-attendance
- provision of pupil referral units for a pupil no longer registered at an Academy

### **16. How would the Academy re-provide the services that Bury Council currently manages using their funding?**

For any services that the school would become responsible for upon conversion, it would need to ensure that it chooses the most appropriate method to meet the needs of the school and provide best value for money. The options available to the school would include providing it in-house, working in partnership with other schools / Academies to provide the service, or purchasing it from a provider (which could be Bury Council). Schools would want to consider how to work together to provide services, ensuring both high quality and effective value for money.

**17. After considering the costs of re-providing services, would the school be better off as an Academy?**

Yes. Further work is being undertaken to test and improve the financial appraisal so that Governors have sufficiently detailed and robust information to inform their decision.

**18. Would the Academies receive their extra funding at the expense of other schools, which in the long run will harm other schools?**

The conversion of any school does not affect the delegated budget of any other school.

**19. How certain is LA funding in the future?**

Funding is never certain. Should this not be available in future years it will not be detrimental to the Academy performance.

**20. What is the medium term funding position if a school remains maintained by the local authority or if it converts – is a school definitely better off as an Academy?**

As independent schools, Academies are responsible for their own financial management and the Funding Agreement effectively requires them to operate within their budget. In the medium term there are financial uncertainties irrespective of the status of the school. All that can be said for certain is that Academies would have a larger initial budget (because of the extra LA funding) to act as a buffer. As Bury Church of England High School has always had to operate within its budget as a Voluntary Aided school, there is no change for us other than our budget will have a greater income.

**21. What happens to the current surplus or deficit of a school if it converts to Academy status?**

The principle is that the surplus or deficit transfers from the current school to the Academy – i.e. there is no change. If a school has a surplus, then this is paid by the local authority to the Academy. If a school has a deficit, the deficit would transfer from being owed to Bury Council to being owed to the Young People's Learning Agency. The Academy would then need to agree a 'deficit recovery plan' to pay the deficit back. However, since Bury Church of England High School has always operated a balanced budget we are not in deficit so this would not apply.

**22. What information is there about the insurance costs an Academy would incur to cover the significant risks posed by potential emergencies such as fire, flood, pupil accidents, major crimes etc?**

All Academies are required to take out a wide range of insurances, often to levels specified by the DfE. The Academy receives a grant equivalent to the cost of insurance from the DfE so it has no net effect on the Academy budget.

## **Academy policies**

### **23. Would there be changes to the number of pupils admitted each year?**

No. The Governors have already agreed an increase in our admission number from 156 to 162 which will come in to effect in September 2018 irrespective of whether we are a VA school or an Academy.

### **24. Would there be changes to the admissions over-subscription criteria of the school?**

Admissions process and criteria will stay the same.

### **25. How would the relationship with the Local Authority change? What support does a Council provide to an Academy?**

The school would continue to work with the Council on common issues and would wish to remain part of the local 'family of schools'. The Local Authority would retain responsibility for numerous statutory duties, including ensuring sufficient school places and Special Educational Needs.

### **26. Would the school day and school year change?**

Not in the first instance. We cannot predict what will be expected of us in the future.

### **27. Would the school name change?**

Not substantially. We would become known as Bury Church of England Academy, rather than Bury Church of England High School simply to make it clear we have changed status.

### **28. Would the school uniform change?**

No

## **Educational implications**

### **29. What are the educational reasons for converting?**

Academies have greater curriculum and operational freedoms to ensure that they meet the needs and interests of all their pupils. Academies have a larger budget (due to their share of the LA funds) with which to target their educational priorities.

### **30. What are the safeguards for vulnerable students?**

Under the terms of the Funding Agreement (which is the contract between the Academy Trust and the Secretary of State), an Academy has to act in exactly the same way as a maintained school in relation to Special Education Needs, behaviour, and exclusions.

### **31. Who is responsible for deciding if a pupil needs a Education, Health and Care plan?**

The local authority would retain the legal responsibility for issuing education health and care plans (EHC plans), although the processes involved would be carried out by DfE, who would determine whether the Academy is named.

### **32. What does the Academy have to teach?**

The Academies Act 2010 requires an Academy to:

- Offer a balanced and broadly based curriculum
- Provides education for pupils of different abilities

The DfE template Funding Agreement requires the curriculum to include English, Maths and Science, and that it shall make provision for the teaching of Religious Education, and to have a daily act of collective worship.

## **Employment in an Academy**

### **33. What is the impact of Academy status for current staff?**

All qualifying staff would transfer from their current employer (which is the current Governing body) to the employment of their Academy Trust. Qualifying staff are generally those who would have been employed at the school on the date of conversion to Academy status. This transfer would take place within the TUPE regulations for staff transfer, which ensures that staff retains all of their existing rights, terms and conditions and pension arrangements, including continuity of service. Pension rights would also be maintained as part of any conversion to Academy status. It would not change any of a member of staff's current entitlements. Details can be found at the Gov.uk web site under TUPE and continuous employment.

### **34. What is the effect of TUPE?**

The TUPE Regulations provide that the current employer's "rights, powers, duties and responsibilities" under the contract of employment of any transferring member of staff would be transferred automatically to the new employer, in this case the Academy Trust.

### **35. Academies are not bound to follow national or local Terms and Conditions of employment. Would any Academy change Terms and Conditions for future new staff?**

There is no intention to change terms and conditions for future new staff at present.

### **36. Do Academies have to recognise Trade Unions?**

Yes. Where TUPE applies all trade unions are recognised before the transfer and continue to be recognised by the new employer.

## **Land and buildings**

### **37. Who owns the land at an Academy?**

The expectation of the Department of Education is that any land or buildings owned by the Governors will continue to be owned by the Governors of the new Academy trust and the land and buildings that are owned by the local authority would be leased by the Local Authority to the Academy Trust. This lease would be for 125 years at a peppercorn rent. The local authority would retain the freehold title to the land. The Academy Trust would become responsible for the land and buildings in accordance with the lease.

### **38. How does an Academy access capital funding?**

Academies receive their devolved formula capital (DFC) funding for building work or other asset development projects directly from the DfE. Currently as a Voluntary Aided maintained school we receive this DFC funding from the Diocese. We also receive funding via the LCVAP process from the Diocese which would be replaced by the Conditions Improvement Fund if we were to become an Academy. All this funding is provided directly to the Academy, whereas the school currently relies on the local authority or the Diocese for funding for more substantial works, and as a Voluntary Aided school we have to find 10% of the cost at present, whether these are for repair / maintenance or for improvements.

Academies are generally reliant on central government for funding and can bid for substantial funds for major improvements/complete rebuilds.

Government is currently consulting on future arrangements to allocate capital funding and manage capital projects at all schools, including Academies.

Currently, in order to carry out any capital works the Governors need to find 10% of the cost. Once the School converts to become an Academy the Academy Trust will not need to pay 10% of any capital work as this will be paid for wholly by the State.

### **39. Who would be responsible if the boilers break down or a roof needs repair?**

The Academy Trust would be responsible for the repair, maintenance, upkeep and insurance of buildings as currently is the case for Bury Church of England High School. Each school already has a programme of planned works that is designed to minimize the risk of things like boiler failure, and would continue this programme if it converts. If there is a significant event the Academy would have to respond using its resources. If the Academy was unable to afford the works then it would liaise with the Diocese of Manchester and together they would need to apply to the Secretary of State for a grant. It is not in anyone's interests for a school to be closed to students.

### **40. Who would be responsible if there is a major fire at the school?**

Academy insurance would be expected to cover this.

#### **41. What could change in the future?**

If the school remains as a maintained Voluntary Aided school, changes in the future could originate from central government, or the Governing Body. As it is clear that the Government's current direction of travel is still to encourage more and more schools to become Academies, and that they are creating several ways in which schools can be deemed to be underperforming and so be forced to convert to an Academy within a multi-Academy Trust from a preferred provider who need not have regard for our Christian ethos, the opportunity which we now have, to have significant control over our conversion, provides a window of opportunity which may not exist in the future. The current financial pressures which we are experiencing are expected to continue so the additional funding provided by becoming an Academy could be essential in avoiding the need for staff reductions.

The Governing Body already has the powers to propose changes to the school day or year, to set holidays, curriculum, or how the budget is spent, to maintain its buildings, buy services, and ensure financial probity, set the ethos and direction of the school and to purchase insurances.

If the school converts to Academy status, the Academy Governing Body could propose changes in the future. These changes could require formal consultation with parents and / or staff and their Unions. The Governors could decide some changes, while others would require the agreement of the Secretary of State. At all times, and on all issues, the Governors' are required to act in the best interests of the Academy.

#### **42. Can Academy status be 'undone'?**

The Academy Trust or the Secretary of State can terminate the contract (the Funding Agreement) to run the Academy, but there is a seven year termination clause (which could potentially be varied if both sides agreed that was in students' best interests). Converting to Academy status is therefore a long-term decision. In the event that the Funding Agreement is terminated (and there is no other funding agreement in place) the lease and, where relevant, the supplemental agreement, will be terminated.

#### **43. If the school decides not to convert to Academy status, could the Secretary of State force the school to become an Academy in the future?**

Yes if the school was deemed to be underperforming or if the 'forced' academy initiative were to be revived.

### **Consultation process**

#### **44. Who is being consulted?**

Governors want to hear the views of any interested person or group. In particular, Governors want to understand the reasons for those views to help ensure that they have considered all relevant issues before they make their final decision.

The school will invite parents and staff to contribute to the consultation and will engage with students. The schools will invite Bury Local Authority, the local MPs who serve the area, the Trade Unions, the Churches associated with the School and other stakeholders to contribute to the consultation.

**45. Will the Governors' listen to the views from the consultation?  
How important will the consultation responses be in the final decision?**

Yes, Governors will consider the responses to ensure that they consider all relevant issues. Responses are likely to include arguments for and against conversion, as well as questions or concerns about conversion. The information from the consultation will help inform the investigations that Governors' undertake (for instance if consultation responses raise questions that Governors had not previously considered), and will be considered alongside the results of Governors' research into areas such as finance, legal implications, land and capital, and employment.

## **Further information**

**46. Where can I get further information?**

The Department for Education website has information about Academies, including an extensive set of themed questions and answers: [www.education.gov.uk/Academies](http://www.education.gov.uk/Academies)

The Anti-Academies Alliance is an organisation that campaigns against Academies. Their website is: [www.antiAcademies.org.uk](http://www.antiAcademies.org.uk)

The Diocese of Manchester Board of Education can provide specific insight into Church of England schools becoming Academies. Their website is: [www.manchester.anglican.org](http://www.manchester.anglican.org)  
If you type 'Academy status' into an internet search engine you will be able to see information from a variety of viewpoints.

Please Note: This is the best understanding we currently have of the situation regarding conversion to academy status. To the best of our knowledge it is correct at the time of publication but this area of educational development is a constantly changing picture. What is offered in this document, is offered in good faith, and represents the governing body's understanding of the process so far.